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# Message Text

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PAGE 01 VIENNA 09433 071734Z

41
ACTION SS-15

INFO OCT-01 ISO-00 SP-02 EB-07 L-03 /028 W
---------- 048162
R 071604Z NOV 75
FM AMEMBASSY VIENNA
TO SECSTATE WASHDC 7100

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STADIS//////////////////////////

FOR UNDERSECRETARY ROBINSON FROM AMBASSADOR

E.O. 11652: N/A
TAGS: BEXP, AU
SUBJECT: EAST WEST TRADE DEVELOPMENT OFFICE IN VIENNA

REF: VIENNA 6118 AND PREVIOUS

1. THE UNITED STATES EAST-WEST TRADE CENTER, WHICH WAS ESTABLISHED IN 1973, WAS THE SUBJECT OF SEVERAL MONTHS-LONG DIALOGUE BETWEEN EMBASSY VIENNA AND DEPARTMENTS OF COMMERCE AND STATE DURING THE PERIOD JUST BEFORE AND AFTER I TOOK OVER HERE AS CHIEF OF MISSION. THE RESULTING REORGANIZATION, RENAMING AND MOVING OF THE CENTER WAS A COMPROMISE OF DIFFERING VIEWS. WE ACCEPTED THE EVENTUAL OUTCOME, AS WELL AS A CERTAIN AMOUNT OF BAD PUBLICITY IN THE EAST-WEST TRADE JOURNALS AND AUSTRIAN PRESS THAT WENT WITH IT, AND HOPED THE MATTER HAD BEEN LAID TO REST.

2. NOW WE HAVE HAD INDICATIONS INFORMALLY FROM WASHINGTON THAT COMMERCE'S BUREAU OF EAST-WEST TRADE IS PLANNING A FURTHER MAJOR RETRENCHMENT IN THE EAST-WEST TRADE DEVELOPMENT OFFICE, AS THE CENTER IS NOW KNOWN, LESS THAN FOUR MONTHS AFTER THE COM-PROMISE SOLUTION, AND EVEN BEFORE THE OFFICE HAS MOVED INTO ITS NEW SITE IN USG-OWNED QUARTERS. APPARENTLY THE MOVING FORCE BEHIND THESE PROPOSALS
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FOR CUTS IN FY 76 IS AN ANTICIPATED CUT IN THE FY 1977

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BUDGET. THE FURTHER CONTEMPLATED REORGANIZATION REPORTEDLY INVOLVES THE SUSPENSION OF PUBLICATION OF THE EAST WEST TRADE INFORMATION BULLETIN. THIS STEP IS AIMED AT SAVING THE $24,000 ANNUAL SALARY COST OF THE EDITOR OF THE BULLETIN WHICH COMMERCE NOW REIMBURSES TO STATE AND ABOUT $16,000 MORE FOR THE PRINTING AND MAILING OF THE BULLETIN. THE SAVINGS TO THE USG ARE IN PART ILLUSORY BECAUSE THE EDITOR OF THE BULLETIN IS A LONG-TERM LOCAL EMPLOYEE OF EMBASSY VIENNA WHO WILL HAVE TO BE RETAINED ON THE EMBASSY PAYROLL WITH OR WITHOUT USDOC REIMBURSEMENT.

3. IT SEEMS TO US THAT HAVING ASKED STATE TO JOIN IN ESTABLISHING THE EAST WEST TRADE DEVELOPMENT OFFICE IN 1973, AND HAVING AGREED TO ASSUME THE MAJOR SHARE OF THE COST, COMMERCE IS NOW RENEGING ON ITS COMMITMENT BY TRYING TO SHIFT COSTS TO STATE. I BELIEVE THE MINIMUM STAFFING LEVEL AGREED IN JULY SHOULD NOT BE FURTHER ERODED. MOREOVER, CONSTANT RESHUFFLING OF THE CENTER/DEVELOPMENT OFFICE RAISES DOUBTS ABOUT THE SERIOUSNESS OF OUR EAST-WEST TRADE PROMOTION EFFORT. THE EWTDO CONTINUES TO BE AN EFFECTIVE OPERATION AND COMMERCE SHOULD RECOGNIZE IT AS AN ASSET TO BE USED RATHER THAN AS A BUDGETARY BURDEN. IN THIS CONNECTION YOU MAY WISH TO REFER TO THE FOREIGN SERVICE INSPECTOR'S MEMORANDUM OF MAY 1975 ON THE TRADE CENTER.

4. I SHOULD BE GRATEFUL IF YOU WOULD DISCUSS THIS MATTER WITH USDOC AT YOUR NEXT REGULAR QUARTERLY MEETING WITH A VIEW TO ENSURING THAT THE COMPROMISE REACHED IN JULY OF THIS YEAR BE CONTINUED IN EFFECT.BUCHANAN

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# Message Attributes

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**Channel Indicators:** n/a
**Current Classification:** UNCLASSIFIED
**Concepts:** n/a
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**Draft Date:** 07 NOV 1975
**Decaption Date:** 28 MAY 2004
**Decaption Note:** 25 YEAR REVIEW
**Disposition Action:** RELEASED
**Disposition Approved on Date:**
**Disposition Authority:** greeneet
**Disposition Case Number:** n/a
**Disposition Comment:** 25 YEAR REVIEW
**Disposition Date:** 28 MAY 2004
**Disposition Event:**
**Disposition History:** n/a
**Disposition Reason:**
**Disposition Remarks:**
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**Document Unique ID:** 00
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**Enclosure:** n/a
**Executive Order:** N/A
**Errors:** N/A
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**Original Classification:** LIMITED OFFICIAL USE
**Original Handling Restrictions:** STADIS
**Original Previous Classification:** n/a
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**Page Count:** 2
**Previous Channel Indicators:** n/a
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**Previous Handling Restrictions:** STADIS
**Reference:** 75 VIENNA 6118
**Review Action:** RELEASED, APPROVED
**Review Authority:** greeneet
**Review Comment:** n/a
**Review Content Flags:**
**Review Date:** 02 APR 2003
**Review Event:**
**Review Exemptions:** n/a
**Review History:** RELEASED <02 APR 2003 by ShawDG>; APPROVED <17 SEP 2003 by greeneet>
**Review Markings:**

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EO Systematic Review
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**Review Media Identifier:**
**Review Referrals:** n/a
**Review Release Date:** n/a
**Review Release Event:** n/a
**Review Transfer Date:**
**Review Withdrawn Fields:** n/a
**Secure:** OPEN
**Status:** NATIVE
**Subject:** EAST WEST TRADE DEVELOPMENT OFFICE IN VIENNA
**TAGS:** BEXP, AU
**To:** STATE
**Type:** TE
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006